



Republican Policy Committee

Larry E. Craig, Chairman Jade West, Staff Director 347 Russell Senate Office Building (202)224-2946 <http://www.senate.gov/~rpc/>

September 4, 1996

Replacing the Welfare State with Welfare States

Clinton Dismantles Welfare Reform State-by-State, Waiver-by-Waiver

"I'm upset about the bill [welfare reform], but as I read it I figure most states will be able to get out from under the toughest parts with waivers."

Rep. Patricia Schroeder, D-CO; *New York Times*, August 23, 1996

"Clinton administration officials promise that if the president is reelected he will use his line-item veto authority for leverage to gain changes in the law."

Los Angeles Times, August 27, 1996

"On Monday, Sen. Carol Moseley-Braun (D-Ill.) told an audience that Health and Human Services Secretary Donna Shalala already has a secret draft of legislation to change the welfare law, but an HHS spokeswoman denied that."

Los Angeles Times, August 27, 1996

On August 22, 1996, after nearly four years in office and after two previous vetoes, President Clinton appeared to have finally made good on his promise to "end welfare as we know it" by signing into law H.R. 3734, the welfare reform bill. But like most of President Clinton's public performances, appearances are quite deceiving.

Despite taking credit for enacting welfare reform of historic significance on August 22, the President, just three days earlier, had already begun dismantling the core features of the bill he was to sign. On August 19, 1996, the Secretary of Health and Human Services, Donna Shalala, acting on behalf of President Clinton, began the dismantling process by granting the District of Columbia a 10-year exemption from the bill's 5-year lifetime limit on receiving federal cash welfare. The Clinton waiver also exempted the District from the bill's work requirements by significantly broadening the definition of "work activity."

Unlike most waivers, which States submit in order to get out from the current morass of federal regulations and red tape, the District's waiver goes in the opposite direction. Instead of seeking permission to innovate, the District sought permission to preserve the status quo (for 15 years) — and the President granted it. And, unlike most waivers, which on average have taken over 200 days for the President to approve, the District waiver was drafted in large part by HHS itself and was approved in less than a week.

It may have taken President Clinton four years to finally sign a welfare bill, but if the case of the District's waiver is any indication of things to come, it will take him considerably less time to undo the legislation if the American people re-elect him.